

CLIENT ALERT

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Employer Receipt 2016 Marketplace Notices

According to a recent [FAQ](#) released from the Centers for Medicare & Medicaid Services (“CMS”), the federally-facilitated marketplace (“FFM”) will begin its employer notice program in 2016. The Affordable Care Act requires each health insurance marketplace to notify any employer whose employee was determined eligible for advance premium tax credits (“APTC”) and cost sharing reductions (“CSR”) because the employee attested that he or she was neither enrolled in employer-sponsored coverage nor eligible for employer coverage that is affordable and meets the minimum value standard.

The FAQ states that FFM will begin sending notices to “certain” employers in 2016 and will expand to more employers in later years. Notices are expected to be sent to employers if the employee received APTC for at least one month in 2016 and the employee provided FFM with a complete employer address. For 2016, FFM will *not* notify employers when an employee who was benefiting from APTC or CSRs terminates marketplace coverage. When a notice is sent, it will identify the specific employee and include a statement that the employee is enrolled in marketplace coverage with APTC.

An employer may appeal an employer notice and assert that it provides its employee access to affordable, minimum value employer sponsored coverage or that its employee is enrolled in employer coverage, and therefore ineligible for APTC. If the employer is successful, FFM will send a notice to the employee encouraging the employee to update his or her marketplace application to reflect that he or she has access to or is enrolled in other coverage. The notice will also explain that failure to update the application may result in a tax liability.

An employer has 90 days from the date of the notice it receives from FFM to request an appeal. An employer appeal request form will be available [here](#). An employer must mail their appeal request to: Health Insurance Marketplace, 465 Industrial Blvd., London, KY 40750-0061. They may also fax their appeal request to a secure fax line: 877-369-0129.

DISCLAIMER - This Client Alert is informational only and should not be construed as insurance, legal or tax advice. If you would like more information, please do not hesitate to contact our office, your legal counsel or accountant.